

VZCZCXRO2199
RR RUEHIK
DE RUEHVJ #0150 0430945
ZNR UUUUU ZZH
R 120945Z FEB 10
FM AMEMBASSY SARAJEVO
TO RUEHC/SECSTATE WASHDC 1400
INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE
RHMCSUU/FAA NATIONAL HQ WASHINGTON DC

UNCLAS SARAJEVO 000150

SENSITIVE
SIPDIS

STATE FOR EUR/SCE, EEB/TRA/AN AND EEB/TRA/OTP

E.O. 12958: N/A

TAGS: [EAIR](#) [ECON](#) [PGOV](#) [BK](#)

SUBJECT: BOSNIA TO TAKE CONTROL OF ITS AIRSPACE IN 2010

SUMMARY

1. (U) Since the war, Serbia and Croatia have managed overflight control of Bosnian airspace, collecting USD 15 million annually in fees. After five years of developing its new air traffic management (ATM) system, Bosnia is poised to take control of this overflight space and the revenues that come with it in 2010. The ATM system and the newly-formed state-level agency to manage it are signs of cooperation in an ethnically-divided political climate.

ATM SYSTEM AND NEW STATE-LEVEL AGENCY READY FOR LIFT-OFF

2. (U) The newly-formed Bosnia and Herzegovina Air Navigation Service Agency (BHANSa) is an independent state-level agency answering directly to the Council of Ministers. It will ultimately manage Bosnia's ATM system, which appears to be on track for completion in 2010. The U.S. Trade and Development Agency funded a feasibility study in 2005, which paved the way for a 12 million euro EBRD loan in August 2006 for BiH to create a national air traffic control center and purchase radar and other navigational equipment.

CIVIL AVIATION MANAGEMENT -- ANOTHER THREE-HEADED MONSTER

3. (U) To please all three Bosnian constituencies, the BiH Department for Civil Aviation, established in 1997, operates in three main departments divided along ethnic lines with the headquarters in Banja Luka and two other departments in Mostar and Sarajevo. Likewise, there is an ethnically balanced component to every piece of the ATM program. While the headquarters will be in Banja Luka, most technical components of the new ATM system will be based in Sarajevo given that the country's largest airport is located in the capital, while the majority of training, simulation exercises and some equipment will be in Mostar. A Croat, Marinko Simunovic, is expected to head BHANSa.

COMMENT -- CLEAR SKIES AHEAD FOR BiH CIVIL AVIATION

4. (SBU) Despite the BiH Department for Civil Aviation's fragmented organizational structure, likely due to Bosnia's ethnically fractured political climate, the ATM system and creation of BHANSa appears to be running on schedule. The RS seems to accept the principle that management of airspace is a state-level function and is happy to have the department in Banja Luka, a decision that may have been part of an overall political deal involving positioning of other state-level agencies.

ENGLISH